By: Birdwell, et al.

S.B. No. 625

A BILL TO BE ENTITLED

- 1 AN ACT
- 2 relating to the Nueces River Authority, following recommendations
- 3 of the Sunset Advisory Commission.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 1.02(6), (7), (8), and (9), Chapter
- 6 427, Acts of the 44th Legislature, 1st Called Session, 1935, are
- 7 amended to read as follows:
- 8 (6) "Commission" means the Texas <u>Commission on</u>
- 9 <u>Environmental Quality</u> [Water Rights Commission].
- 10 (7) ["Quality board" means the Texas Water Quality
- 11 Board.
- 12 $\left[\frac{(8)}{}\right]$ "Development board" means the Texas Water
- 13 Development Board.
- 14 (8) [(9)] "Waste" means sewage, industrial waste,
- 15 municipal waste, recreational waste, agricultural waste, waste
- 16 heat, solid waste, or any other waste.
- SECTION 2. Section 1.02A(a), Chapter 427, Acts of the 44th
- 18 Legislature, 1st Called Session, 1935, is amended to read as
- 19 follows:
- 20 (a) The authority is subject to review under Chapter 325,
- 21 Government Code (Texas Sunset Act), but may not be abolished under
- 22 that chapter. The review shall be conducted under Section 325.025,
- 23 Government Code, as if the authority were a state agency scheduled
- 24 to be abolished September 1, 2031 [$\frac{2019}{}$], and every 12th year after

- 1 that year.
- 2 SECTION 3. Section 2.02(c), Chapter 427, Acts of the 44th
- 3 Legislature, 1st Called Session, 1935, is amended to read as
- 4 follows:
- 5 (c) If the directors find any land included in the field
- 6 notes other than land in San Patricio, Nueces, and Jim Wells
- 7 counties, which is not actually included in the watershed of the
- 8 Nueces River, the board shall exclude the land from the authority
- 9 and file a certificate of exclusion with the county clerk of the
- 10 county in which the land is located. The certificate of exclusion
- 11 shall describe the boundaries of the land excluded so that the land
- 12 remaining in the authority may be adequately identified.
- SECTION 4. Section 2.03(i), Chapter 427, Acts of the 44th
- 14 Legislature, 1st Called Session, 1935, is amended to read as
- 15 follows:
- 16 (i) The governor shall designate a member of the board as
- 17 the president of the board to serve in that capacity at the pleasure
- 18 of the governor. The board shall elect [a president,] one or more
- 19 vice-presidents, a secretary, a treasurer, and such other officers
- 20 as the members of the board may determine in the bylaws or
- 21 otherwise. The [president,] vice-presidents, secretary, and
- 22 treasurer shall be members of the board, but other officers need not
- 23 be members of the board. The offices of secretary and treasurer may
- 24 be combined, as may the offices of assistant secretary and
- 25 assistant treasurer.
- SECTION 5. Subchapter 2, Chapter 427, Acts of the 44th
- 27 Legislature, 1st Called Session, 1935, is amended by adding Section

- 1 2.03A to read as follows:
- 2 Sec. 2.03A. DIRECTOR TRAINING. (a) A person who is
- 3 appointed to and qualifies for office as a director may not vote,
- 4 deliberate, or be counted as a director in attendance at a board
- 5 meeting until the person completes a training program that complies
- 6 with this section.
- 7 (b) The training program must provide the person with
- 8 <u>information regarding:</u>
- 9 (1) the law governing authority operations;
- 10 (2) the programs, functions, rules, and budget of the
- 11 authority;
- 12 (3) the results of the most recent formal audit of the
- 13 authority;
- 14 (4) the requirements of:
- 15 (A) laws relating to open meetings, public
- 16 information, administrative procedure, and disclosure of conflicts
- 17 of interest; and
- 18 (B) other laws applicable to members of the
- 19 governing body of a river authority in performing their duties; and
- 20 (5) any applicable ethics policies adopted by the
- 21 authority or the Texas Ethics Commission.
- (c) A person appointed to the board is entitled to
- 23 reimbursement for the travel expenses incurred in attending the
- 24 training program regardless of whether the attendance at the
- 25 program occurs before or after the person qualifies for office.
- 26 (d) The executive director shall create a training manual
- 27 that includes the information required by Subsection (b) of this

- 1 section. The executive director shall distribute a copy of the
- 2 training manual annually to each director. Each director shall
- 3 sign and submit to the executive director a statement acknowledging
- 4 that the director has received and reviewed the training manual.
- 5 SECTION 6. Section 2.05, Chapter 427, Acts of the 44th
- 6 Legislature, 1st Called Session, 1935, is amended by amending
- 7 Subsection (a) and adding Subsection (c) to read as follows:
- 8 (a) A director is entitled to receive an allowance in an
- 9 amount not exceeding that provided under Section 49.060, Water Code
- 10 [general law of the State of Texas and reimbursement for actual and
- 11 necessary expenses incurred:
- 12 [(1) for each day he spends attending meetings of the
- 13 board; and
- 14 [(2) for each day he spends attending to the business
- 15 of the authority which is authorized by the board].
- 16 <u>(c) In all areas of conflict with this section, Section</u>
- 17 <u>49.060</u>, Water Code, takes precedence.
- SECTION 7. Subchapter 2, Chapter 427, Acts of the 44th
- 19 Legislature, 1st Called Session, 1935, is amended by adding
- 20 Sections 2.06A and 2.08A to read as follows:
- Sec. 2.06A. PUBLIC TESTIMONY. (a) The board shall develop
- 22 and implement policies that provide the public with a reasonable
- 23 opportunity to appear before the board and to speak on any issue
- 24 under the jurisdiction of the authority.
- 25 (b) At each regular meeting of the board, the board shall
- 26 include public testimony as a meeting agenda item and allow members
- 27 of the public to comment on other agenda items and other matters

- 1 under the jurisdiction of the authority. The board may not
- 2 deliberate on or decide a matter not included in the meeting agenda,
- 3 except that the board may discuss including the matter on the agenda
- 4 for a subsequent meeting.
- 5 Sec. 2.08A. SEPARATION OF POLICY AND MANAGEMENT
- 6 RESPONSIBILITIES. The board shall develop and implement policies
- 7 that clearly separate the policymaking responsibilities of the
- 8 board and the management responsibilities of the executive director
- 9 and the staff of the authority.
- 10 SECTION 8. Sections 3.02, 3.05, and 3.08, Chapter 427, Acts
- 11 of the 44th Legislature, 1st Called Session, 1935, are amended to
- 12 read as follows:
- 13 Sec. 3.02. CONTROL AND EMPLOYMENT OF WATERS. (a) Subject
- 14 to the provisions of the constitution and statutes of the state and
- 15 the continuing right of supervision of the state through the
- 16 commission, the Nueces River Authority has and may exercise
- 17 authority and power over the storm water and floodwater of the
- 18 Nueces River Basin, subject to the applicable provisions of
- 19 Chapters 5, 11, and 12 [6], Water Code [, as amended].
- 20 (b) Subject to Chapters 5, 11, and 12 [6], Water Code, [as
- 21 amended, the authority may exercise the powers of control and
- 22 employment of the state's water in the manner and for the particular
- 23 purposes as follows:
- 24 (1) to provide for the control and coordination of
- 25 water use in the Nueces River Basin as a unit;
- 26 (2) to provide by adequate organization and
- 27 administration for the preservation of the rights of the people of

- 1 the different sections of the river basin in the beneficial use of
 2 water;
- 3 (3) to provide for conserving storm, flood, and
- 4 unappropriated flow water of the Nueces River Basin, including the
- 5 storing, controlling, transporting, treating, and distributing of
- 6 such water, and the prevention of the escape of any such water
- 7 without the maximum of public service and for the prevention of
- 8 devastation of land from recurrent overflows, and the protection of
- 9 life and property in the river basin from uncontrolled floodwater;
- 10 (4) to provide for the conservation of water essential
- 11 for domestic and other water uses of the people of the Nueces River
- 12 Basin, including all necessary water supplies for cities, towns,
- 13 and industrial districts;
- 14 (5) to provide for the irrigation of land in the Nueces
- 15 River Basin where irrigation is required for agricultural purposes
- 16 or may be deemed helpful to more profitable agricultural production
- 17 and for the equitable distribution of storm, flood, and
- 18 unappropriated flow water to the regional potential requirements
- 19 for all uses; all plans and all works provided by the authority and
- 20 all works which may be provided under authorization of the
- 21 authority should have primary regard to the necessary and potential
- 22 needs for water, by or within the respective areas constituting the
- 23 watershed of the Nueces River and its tributary streams;
- 24 (6) to provide for the encouragement and development
- 25 of drainage systems and provisions for drainage of land in the
- 26 valleys of the Nueces River and its tributary streams needing
- 27 drainage for profitable agricultural and livestock production and

- 1 industrial activities and drainage of other land in the watershed
- 2 area of the authority requiring drainage for the most advantageous
- 3 use;
- 4 (7) to provide for the conservation of all soils
- 5 against destructive erosion, thereby preventing the increased
- 6 flood menace incident thereto;
- 7 (8) to control and make available for employment,
- 8 flood, storm, and unappropriated flow water as may be authorized by
- 9 the commission, in the development of commercial and industrial
- 10 enterprises in all sections of the watershed area of the authority;
- 11 (9) to provide as set forth by Chapters 5, 11, and 12
- 12 $[\frac{6}{9}]$, Water Code, $[\frac{1}{8}]$ amended, for the control, storing, and
- 13 employment of flood, storm, and unappropriated flow water in the
- 14 development and distribution of hydroelectric power, where this use
- 15 may be economically coordinated with other and superior uses, and
- 16 subordinated to the uses declared by law to be superior; and
- 17 (10) to provide in the manner set forth in Chapters 5,
- 18 11, and 12 [6], Water Code, [as amended,] for each and every purpose
- 19 and use for which flood, storm, and unappropriated flow water when
- 20 controlled and conserved may be utilized in the performance of a
- 21 useful service as contemplated and authorized by the provisions of
- 22 the constitution and statutes.
- (c) Subject to Chapters 5, 11, and 12 [6], Water Code, [as
- 24 amended, the authority may control, store, and preserve the water
- 25 of the Nueces River and its tributaries within the boundaries of the
- 26 authority for any useful purpose, and may use, distribute, and sell
- 27 the water for any beneficial purpose inside and outside the

- 1 authority, and may acquire water and water rights inside and
- 2 outside the authority.
- 3 Sec. 3.05. WATER QUALITY CONTROL. (a) The authority has
- 4 and may exercise all of the powers vested in river authorities under
- 5 <u>Chapters 5, 7, 17, 26, and 30, [Chapter 21 of the]</u> Water Code, [as
- 6 amended, and Chapter 366, Health and Safety Code [25 of the Water
- 7 Code, as amended].
- 8 (b) The authority is authorized to perform the licensing and
- 9 other functions authorized to be delegated to local governments by
- 10 the commission [quality board] in connection with the regulation of
- 11 private sewage facilities under Chapter 366, Health and Safety
- 12 [Section 21.083, Water] Code.
- 13 (c) The authority may serve as the entity to provide
- 14 regional or area-wide waste collection, treatment, and disposal
- 15 services, as provided in Subchapter \underline{C} [\underline{D}], Chapter $\underline{26}$ [$\underline{21}$], Water
- 16 Code.
- 17 Sec. 3.08. PERMITS AND LICENSES. In the manner provided by
- 18 Chapters 5, 11, and 12 [6], Water Code, the [as amended, the
- 19 authority shall apply for any permits, licenses, franchises, and
- 20 other grants of authority it may require from the commission. The]
- 21 authority may apply for any permits, licenses, franchises, and
- 22 other grants of authority it may require from the <u>commission</u>
- 23 [quality board], the development board, or any other federal,
- 24 state, or local governmental agencies in exercising its powers and
- 25 accomplishing the purposes under this Act.
- SECTION 9. Section 3.15(i), Chapter 427, Acts of the 44th
- 27 Legislature, 1st Called Session, 1935, is amended to read as

- 1 follows:
- 2 (i) The provisions of this section do not prohibit the
- 3 authority from purchasing or acquiring land or interests in land
- 4 from any person, or from acquiring, constructing, or improving
- 5 pollution control or waste collection and disposal facilities in
- 6 accordance with Chapter 30 [25], Water Code, [as amended,] the
- 7 Clean Air Financing Act (Chapter 4477-5a, Vernon's Texas Civil
- 8 Statutes), or other applicable statutes, or purchasing or acquiring
- 9 surplus property from any governmental entity by negotiated
- 10 contract and without necessity for advertising for bids.
- SECTION 10. Subchapter 3, Chapter 427, Acts of the 44th
- 12 Legislature, 1st Called Session, 1935, is amended by adding Section
- 13 3.18A to read as follows:
- 14 Sec. 3.18A. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.
- 15 (a) The board shall develop a policy to encourage the use of
- 16 appropriate alternative dispute resolution procedures under
- 17 Chapter 2009, Government Code, to assist in the resolution of
- 18 internal and external disputes under the authority's jurisdiction.
- 19 (b) The authority's procedures relating to alternative
- 20 dispute resolution must conform, to the extent possible, to any
- 21 model guidelines issued by the State Office of Administrative
- 22 Hearings for the use of alternative dispute resolution by state
- 23 agencies.
- (c) The authority shall:
- 25 (1) coordinate the implementation of the policy
- 26 <u>adopted under Subsection (a) of this section;</u>
- 27 (2) provide training as needed to implement the

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1 procedures for alternative dispute resolution; and
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- 2 (3) collect data concerning the effectiveness of those
- 3 procedures.
- 4 SECTION 11. Sections 3.22A and 3.23, Chapter 427, Acts of
- 5 the 44th Legislature, 1st Called Session, 1935, are amended to read
- 6 as follows:
- 7 Sec. 3.22A. CONSERVATION PROGRAM. The board shall adopt
- 8 and implement a program of water conservation that incorporates the
- 9 practices, techniques, and technologies that will reduce the
- 10 consumption of water, reduce the loss or waste of water, improve the
- 11 efficiency in the use of water, or increase the recycling and reuse
- 12 of water so that a water supply is made available for future or
- 13 alternative uses and that the commission and development board
- 14 determine [Texas Department of Water Resources determines] will
- 15 meet reasonably anticipated local needs and conditions.
- 16 Sec. 3.23. WORK WITH DEVELOPMENT BOARD. The authority has
- 17 and may exercise all the powers vested in political subdivisions
- 18 under Chapters 5, 16, and 17 [Chapter 11], Water Code, [as amended,]
- 19 including [without limitation] the powers necessary to enable the
- 20 authority to participate in:
- 21 <u>(1)</u> [the] programs administered by the development
- 22 board for:
- $\underline{\text{(A)}}$ the acquisition and development of
- 24 facilities; $[-\tau]$
- 25 (B) the sale or lease of facilities; and $[\tau]$
- 26 (C) financial assistance to political
- 27 subdivisions; $[\tau]$ and

- 1 (2) other programs as are now or may hereafter be
- 2 authorized.
- 3 SECTION 12. Subchapter 3, Chapter 427, Acts of the 44th
- 4 Legislature, 1st Called Session, 1935, is amended by adding
- 5 Sections 3.27 and 3.28 to read as follows:
- 6 Sec. 3.27. COMPLAINTS. (a) The authority shall maintain a
- 7 system to promptly and efficiently act on complaints filed with the
- 8 authority. The authority shall maintain information about the
- 9 parties to and subject matter of the complaint, a summary of the
- 10 results of the review or investigation of the complaint, and the
- 11 disposition of the complaint.
- 12 (b) The authority shall make information available
- 13 describing its procedures for complaint investigation and
- 14 resolution.
- 15 (c) The authority shall periodically notify the complaint
- 16 parties of the status of the complaint until final disposition.
- Sec. 3.28. FIVE-YEAR STRATEGIC PLAN. (a) The authority
- 18 shall adopt and promptly publish on the authority's Internet
- 19 website a written, five-year strategic plan that:
- 20 (1) sets the authority's goals for the following five
- 21 years;
- 22 (2) establishes the authority's mission; and
- 23 (3) describes the anticipated activities that the
- 24 authority will perform in the Nueces River Basin over the following
- 25 five years.
- 26 (b) The authority shall update the five-year strategic plan
- 27 regularly and publish the updated versions of the plan on the

1 authority's Internet website.

- 2 SECTION 13. Section 5.01(a), Chapter 427, Acts of the 44th
- 3 Legislature, 1st Called Session, 1935, is amended to read as
- 4 follows:
- 5 (a) For the purpose of carrying out any power or authority
- 6 conferred by this Act, including [the expense of] preparing the
- 7 master plan and [the] payment of engineering and related [other]
- 8 expenses [in connection with this], the authority may issue its
- 9 bonds in three general classes:
- 10 (1) bonds secured by ad valorem taxes;
- 11 (2) bonds secured by a pledge of all or part of the
- 12 revenues accruing to the authority, including without limitation
- 13 those received from sale of water or other products, rendition of
- 14 service, tolls, charges, and from all other sources other than ad
- 15 valorem taxes;
- 16 (3) bonds secured by a combination pledge of all or
- 17 part of the revenues described in Subdivision (2) of this
- 18 subsection, and taxes.
- 19 SECTION 14. Section 2, Chapter 699, Acts of the 64th
- 20 Legislature, Regular Session, 1975, is amended to read as follows:
- Sec. 2. The rights, privileges, authority, and functions
- 22 herein granted to the authority and the authority itself are
- 23 expressly subject to Chapters 5, 7, 17 $\left[\frac{6}{9}\right]$, and 26 $\left[\frac{21}{21}\right]$, Water Code,
- 24 and Chapter 366, Health and Safety Code.
- SECTION 15. Section 5.03, Chapter 427, Acts of the 44th
- 26 Legislature, 1st Called Session, 1935, is repealed.
- 27 SECTION 16. (a) The term of the president of the board of

- 1 directors of the Nueces River Authority serving on the effective
- 2 date of this Act expires September 1, 2019. The director serving as
- 3 president on the effective date of this Act may continue to serve on
- 4 the board of directors until the director's successor is appointed
- 5 and has qualified.
- 6 (b) Not later than September 2, 2019, the governor shall
- 7 designate a director as president of the board of directors of the
- 8 Nueces River Authority as required by Section 2.03(i), Chapter 427,
- 9 Acts of the 44th Legislature, 1st Called Session, 1935, as amended
- 10 by this Act.
- 11 SECTION 17. (a) Notwithstanding Section 2.03A, Chapter
- 12 427, Acts of the 44th Legislature, 1st Called Session, 1935, as
- 13 added by this Act, a person serving on the board of directors of the
- 14 Nueces River Authority may vote, deliberate, and be counted as a
- 15 director in attendance at a meeting of the board until December 1,
- 16 2019.
- 17 (b) This section expires January 1, 2020.
- 18 SECTION 18. (a) The legal notice of the intention to
- 19 introduce this Act, setting forth the general substance of this
- 20 Act, has been published as provided by law, and the notice and a
- 21 copy of this Act have been furnished to all persons, agencies,
- 22 officials, or entities to which they are required to be furnished
- 23 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 24 Government Code.
- 25 (b) The governor, one of the required recipients, has
- 26 submitted the notice and Act to the Texas Commission on
- 27 Environmental Quality.

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- 1 (c) The Texas Commission on Environmental Quality has filed
- 2 its recommendations relating to this Act with the governor, the
- 3 lieutenant governor, and the speaker of the house of
- 4 representatives within the required time.
- 5 (d) All requirements of the constitution and laws of this
- 6 state and the rules and procedures of the legislature with respect
- 7 to the notice, introduction, and passage of this Act are fulfilled
- 8 and accomplished.
- 9 SECTION 19. This Act takes effect September 1, 2019.